The Voices of New Brunswick Women Consensus-Building Forum

The Voices of New Brunswick Women Consensus-Building Forum (Forum) is an independent government advisory body on issues of importance to women and their substantive equality in New Brunswick. The Forum's mandate is to advance women's equality by providing advice to government and bringing issues to public attention. The Forum has the freedom and resources to conduct research, engage with stakeholders, and establish independent positions on issues relating to women's equality.

The Forum was established in 2014 as a result of a multi-year stakeholder engagement process undertaken by the Province of New Brunswick in response to the defunding of the New Brunswick Advisory Council on the Status of Women in 2011.

The Forum's membership is comprised of diverse New Brunswick organizations and individuals committed to women's equality.

Early Learning and Child care and Women's Equality

Early learning and child care (ELCC) is a critical women's equality issue and discussion of changes to ELCC in New Brunswick must be framed within this context.

There are three primary ways in which ELCC is a women's equality issue:

- 1) ELCC enables women's participation in the workforce and pursuit of post-secondary education and training opportunities.
- 2) The vast majority of ELCC educators and caregivers are women and receive unacceptably low wages.
- 3) The majority of private ELCC facility operators are women entrepreneurs.

It must be noted that in addition to being a gendered issue, ELCC is also an issue of social and economic inclusion for families living in poverty, for newcomer families, and for children with learning exceptionalities. At various points, these concerns intersect with gender equality considerations and are incorporated into this brief.

Early Learning and Child care and Women's Full Participation in Society

Since the 1970's, women's participation in the workforce has grown exponentially.¹ However, as women entered the workforce in record numbers, there was no appropriate proportional decline in the amount of time that they spent providing unpaid household and care work²—women now perform household and care work in addition to working outside the home.³ In New Brunswick, women are still taking the majority of parental leaves³ and spending more time than men on unpaid work in the home.

Why is this? One reason is that household and care labour has historically been viewed as a responsibility of women, to be carried out in the private sphere of life without compensation, and that

Educated, Employed and Equal (page 6) Equality Profile Women in New Brunswick (pages 53, 55); Educated, Employed and Equal (pages 3, 5) Equality Profile Women in New Brunswick (page 53)

such views are deeply entrenched and slow to change. Another reason is that there simply is not enough ELCC accessible: in New Brunswick, in 2013-2014, there were regulated child care spaces for 24 556 children—that is space for only 28% of New Brunswick's 91 000 children ages 0-12 at that time⁴. Just over 50% of these spaces were for after-school care and less than 10% of these spaces were for infants.⁵

Where regulated child care is accessible, cost is often prohibitive. In 2013, infant care spaces in New Brunswick ranged from \$602.30 to \$740.65 per month; preschool spaces ranged from \$539.30 to \$629.58 per month; and after-school spaces ranged from \$277.12 to \$391 per month.⁶ In some cases, the cost of accessing a regulated child care space is higher than university tuition.⁷

Research has consistently shown that lack of accessible and affordable ELCC results in women choosing, or being forced, to withdraw from or limit their participation in the workforce. Lack of ELCC also limits women's pursuit of education and training opportunities.⁸

In contexts where women cannot participate fully in the workforce or education and training opportunities, it cannot be a surprise that women's median income is consistently lower than men's $(67\% \text{ in New Brunswick})^9$ or that women continue to be underrepresented in positions of influence¹⁰. In other words: when public policy does not support women's full participation in society, it cannot be a surprise that women remain unequal to men.

Where high-quality ELCC that is responsive to families needs is accessible and affordable, women's participation in the workforce increases¹¹—not only while children are very young but also once they are school-aged.¹² Additionally, low-income families (which includes 30% of all women-led lone parent families in New Brunswick¹³) have increased opportunities to live above the poverty line.¹⁴ Finally, the availability of affordable and accessible ELCC and other policies that support work-life balance affects women's decision-making on whether to have children (and, if so, how many).¹⁵

Equality in the ELCC Sector

Why are regulated child care spaces so costly? ELCC is costly to provide at a high quality, in part because of staff-to-child ratios regulated by provinces and territories. As well, government investment is limited and distributed to families as well as ELCC facilities, which forces ELCC to operate as a market-driven

Child Day Care Services Annual Statistical Report 2013-2014 (page 7); Early Childhood Education and Care in Canada 2014 (page 28)

Child Day Care Services Annual Statistical Report 2013-2014 (page 7)

Equality Profile (page 51)

Child care - the ramp that provides equal access to the workforce for mothers (page 4)

Child care – the ramp that provides equal access to the workforce for mothers (page 6); Educated, Employed and Equal (page 7)

⁵Equality Profile (page 39)

Equality Profile (pages 86-96)

¹¹ <u>Equality Profile</u> (pages 80-36) ¹¹ <u>Child care – the ramp that provides equal access to the workforce for mothers</u> (page 4); <u>Educated, Employed</u> and Equal (page 7); <u>Special Report TD Economics</u> (page 4) ¹² <u>Impact of Quebec's Universal Low Fee Childcare Program on Female Labour Force Participation, Domestic</u>

Income, and Government Budgetsof Quebec (page 13)

Equality Profile (page 41) 14

 ¹⁴ Special Report TD Economics (page 4)
¹⁵ Special Report TD Economics (page 4); <u>The Childcare Transition</u> (page 4); <u>Educated, Employed and Equal</u> (page 7)

enterprise reliant on parent fees. This not only results in high-costs for parents, but inequitable access to spaces based on location, income, etc.

This market-driven approach also results in workers in the ELCC sector earning low-wages that do not reflect the importance of their work or the responsibility and skill required for their positions—in other words, pay inequity.

It is no coincidence that the ELCC workforce earns low-wages and is overwhelmingly comprised of women providing the kind of caring work that has traditionally been relocated to the private sphere of life and uncompensated. In 2012/2013, women made up 96% of the early childhood education program in at NBCC and 100% of the Education à l'enfance program at CCNB.¹⁶ In 2013-2014, trained primary staff in regulated New Brunswick daycares earned \$15.57/hour; untrained employees earned \$13.42.¹⁷ Low-wages contribute to high staff turnover, which has a negative effect on the quality of services.¹⁸

Lastly, it must be noted that New Brunswick has a high percentage of private for-profit daycares (72% in 2013-2014¹⁹) compared to other jurisdictions²⁰ and many owner-operators are women. While these facilities are for-profit, their net financial benefit is still very low²¹ and many report they would not be sustainable without government support in the form of wage enhancements.²²

Early Learning and Child Care as a High Return Infrastructure Investment

To develop the kind of ELCC required to advance women's equality—accessible, affordable, high-quality care and available comparably across regions—governments need to invest in ELCC as a comprehensive system and to support the sector in moving away from a market-based approach. Governments need to understand ELCC as the critical infrastructure investment that it is.

This investment is no small undertaking and there will be, therefore, a temptation to dismiss it as unrealistic—particularly in a small province like New Brunswick that is facing significant financial challenges. Two things must be understood in relation to that claim, however:

- Women—women opting out or limiting their participation in the workforce and post-secondary education and training opportunities; women providing ELCC labour; and women operating ELCC facilities—are paying a very real price for the current state of ELCC in New Brunswick.
- 2) ELCC has an excellent return on investment.

¹⁶ Equality Profile (pages 21, 23)

¹⁷ Child Day Care Services Annual Statistical Report 2013-2014 (pages 17-18)

¹⁸ The Childcare Transition (page 23)

¹⁹ <u>Child Day Care Services Annual Statistical Report 2013-2014</u> (page 6)

²⁰ Equality Profile (page 52)

²¹ Situational Report on Early Learning and Child Care in New Brunswick by Early Childhood Care & Education New Brunswick (page 4)

²² Change to the Quality Improvement Funding Support (QIFS) Program Sector Survey/Report by Early Childhood Care & Education New Brunswick

Where the government does not support policies and subsidize services needed to advance women's equality, women absorb the financial and social cost of inequality in the form of lost wages, reduced lifetime earnings, and the poorer social and health outcomes associated with loss of income. This cost to women also translates to the province: lost tax revenue, the cost of responding to violence against

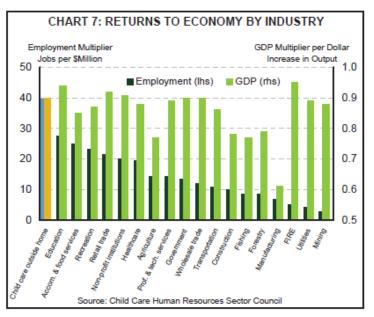
women, cost of addressing poorer health outcomes, cost of increased social assistance use. These costs are, of course, in addition the inestimable loss that comes from not having women fully represented at the table to lead, collaborate and innovate in business, politics, and community.²³

New Brunswick is already paying a price for our patchwork, market-driven ELCC sector—it would

be just and fiscally responsible to instead invest in a high-quality system that advances equality.

What does investing in a high quality ELCC system look like? Study after study has proven that the benefits—both short- and long-term—outweigh the costs²⁴. Studies also show that, compared to other industries, ELCC is an excellent employment multiplier and GDP multiplier.²⁵ This is because ELCC system systems generate increased tax revenues, may reduce the number of families living poverty, and reduce spending on social/ healthcare/special education costs, etc.²⁶

TABLE 2 STUDIES OF COST-BENEFIT ANALYSIS OF ECE PROGRAMS	
Study	Benefit / Cost (\$)
Economic Consequences of Quebec's Educational Child Care Policy, by Fortin, Godbout & St-Cerny, 2011	1.49
Better Beginnings, Better Futures by Peters et al., 2010	2.00
Worforce Shortages Socio-Economic Effects, by Fairholm, 2009	2.42
Child Care as Economic and Social Development, by Prentice, 2007	2.78
The Benefits and Costs of Good Child Care, by Cleveland & Krashinsky, 1998	2.00
Source: Early Years Study 3	



It must be noted that one of the key benefits of a high quality ELCC system is improved outcomes for marginalized and vulnerable children (i.e. children from low-income households, including multi-

²⁰ Impact of Quebec's Universal Child Care Program on Female Labour Force Participation, Domestic Income, and <u>Government Budgets</u> (page iv, 26); <u>Special Report TD Economics</u> (pages 2, 4, 5); <u>Educated</u>, <u>Employed and Equal</u> (page 10)

²³ Educated, Employed and Equal (page 10)

²⁴ Educated, Employed and Equal (page 10);

Early learning and care impact analysis (page 20); Special Report TD Economics (pages 1, 5); Impact of Quebec's Universal Child Care Program on Female Labour Force Participation, Domestic Income, and Government Budgets (page 27)

²⁵ Educated, Employed and Equal (page 10); Early learning and care impact analysis (page 19); Special Report TD Economics (page 5); Impact of Quebec's Universal Child Care Program on Female Labour Force Participation, <u>Domestic Income</u>, and Government Budgets (page 27)

Table 2 and Chart 7 are from Special Report TD Economics.

generational low-income homes; newcomer children; children with learning exceptionalities) who participate.²⁷ An ELCC system can create a more even and equitable playing field for children who would otherwise be entering the education system at a disadvantage, which limits their long-term health, educational, and income earning outcomes.²⁸ The return on investment appears to be highest for youth who are the most marginalized and vulnerable.²⁹

The cost/benefit argument for an ELCC system in New Brunswick is clear and reluctance to implement a system is a vestige of out-dated thinking in which government responsibility for primary education only begins at ages 4-5.³⁰ Given what is now known about the importance of ELCC and improved outcomes, as well the necessity of ELCC for women's equality, it is the right and responsible course of action for government to take on an enhanced role in children's education and care at a younger age.

Recommendations on Early Learning and Child Care in New Brunswick

-Commit to a conceptual shift in which ELCC is understood as a critical infrastructure investment and as an essential component of women's equality and improved future outcomes for marginalized and vulnerable children.

-Ensure that rigorous gender-based analysis is a foundational component of all consultations and policy deliberation on ELCC and that advancing women's equality is key a priority in final decision-making.

-Increase public investment in early childhood learning and care.

-Implementation of increased public investment moves ELCC away from patchwork, market-driven services and toward a vibrant, responsive system of accessible, affordable, high-quality ELCC.

-Investment in the ELCC system translates into improved compensation for ELCC educators and caregivers.

-Measures are put in place to ensure that changes to existing investment approaches do not destabilize existing ELCC facility operators or leave them without supports to align with new ELCC investment priorities.

²⁷ Educated, Employed and Equal (page 10); The Childcare Transition (pages 8); Special Report TD Economics (pages 2-4)

Educated, Employed and Equal (page 10); The Childcare Transition (page 8); Special Report TD Economics (pages 2,3)

 ²⁹ Special Report TD Economics (page 1, 3-5)
³⁰ Special Report TD Economics (page 2); The Childcare Transition (page 31)